

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

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BIO ENTERPRISES, INC. and KAY CASPERSON,

Plaintiffs,

07 Civ. 7049 (VM)

v.

REPLY TO COUNTERCLAIMS

ECF Case

(Jury Trial Demanded)

IDEAL HEALTH, INC.,

Defendant.

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Plaintiffs Bio Enterprises, Inc. ("Bio Enterprises") and Kay Casperson (sometimes referred to herein as "Plaintiffs"), by their attorneys, the Law Offices of Carole R. Bernstein, as and for their reply to the counterclaims, respectfully allege:

1. Admit the allegations contained in paragraph 51 of the Counterclaim.
2. Deny the allegations contained in paragraphs 52 of the Counterclaim except deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in the first sentence of paragraph 52 of the Counterclaim.
3. Deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 53 of the Counterclaim and respectfully refer the Court to the terms and conditions of the Agreement for an accurate reflection of the contents thereof.
4. Deny the allegations contained in paragraphs 54, 55, 56, 57, 58, 59, 60, 61, 62, 63 and 64 of the Counterclaim.

5. Deny the allegations contained in paragraph 65 of the Counterclaim, except deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in the first sentence of paragraph 65 of the Counterclaim.

6. Deny the allegations contained in paragraph 66 of the Counterclaim.

7. Deny the allegations contained in paragraph 67 of the Counterclaim, except deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in the first sentence of paragraph 67 of the Counterclaim, and respectfully refer the Court to the alleged letter referred to therein for a complete and accurate description of its contents.

8. Deny the allegations contained in paragraphs 68, 69, 70 and 71 of the Counterclaim.

9. Repeat and reallege paragraphs 1 to 8 of its reply to the counterclaims as if more fully set forth herein.

10. Deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 73 of the Counterclaim and respectfully refer the Court to the terms and conditions of the Agreement for an accurate reflection of the contents thereof.

11. Deny the allegations contained in paragraphs 74, 75 and 76 of the Counterclaim.

12. Repeat and reallege paragraphs 1 to 11 of its reply to the counterclaims as if more fully set forth herein.

13. Deny the allegations contained in paragraphs 78, 79 and 80 of the Counterclaim.

14. Repeat and reallege paragraphs 1 to 13 of its reply to the counterclaims as if more fully set forth herein.

15. Paragraph 82 of the Counterclaim contains conclusions of law to which no answer is required.

16. Deny the allegations contained in paragraphs 83 and 84 of the Counterclaim.

17. Repeat and reallege paragraphs 1 to 16 of its reply to the counterclaims as if more fully set forth herein.

18. Deny the allegations contained in paragraph 86, 87, 88 and 90 of the Counterclaim.

19. Deny knowledge or information sufficient to form a belief as to the truth of the allegations contained in paragraph 89 of the Counterclaim.

AS AND FOR A FIRST DEFENSE

20. The Counterclaims fail to state a claim upon which relief can be granted.

AS AND FOR A SECOND DEFENSE

21. The Counterclaims are barred by the doctrine of unclean hands.

AS AND FOR A THIRD DEFENSE

22. The Counterclaims are barred by the doctrine of waiver.

AS AND FOR A FOURTH DEFENSE

23. The Counterclaims are barred by the doctrine of estoppel.

AS AND FOR A FIFTH DEFENSE

24. The Counterclaims are barred by the doctrine of laches.

AS AND FOR A SIXTH DEFENSE

25. The Counterclaims interposed by defendant lack any merit, factual or otherwise, and were interposed solely to harass, annoy and unlawfully extend this proceeding. As such, the Counterclaims should be dismissed, and plaintiffs should be awarded all of their costs in having to respond to and/or defend against such frivolous claims.

AS AND FOR A SEVENTH DEFENSE

26. Defendant has failed to allege its supposed fraud-based claim with the particularity required by law

AS AND FOR AN EIGHTH DEFENSE

27. Defendant breached the Agreement and therefore, its breach thereof vitiates its claim for any alleged breach by plaintiffs.

WHEREFORE, plaintiffs demand judgment denying and dismissing Defendant's Counterclaims together with costs and disbursements of this action and such other and further relief as this Court may deem just and proper.

Dated: Westport, Connecticut
November 21, 2007

LAW OFFICES OF CAROLE R. BERNSTEIN

By: _____/s/_____

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